

Subject: **PAY DIFFERENTIAL**

REFERENCES	SECTIONS
Classification and Pay (C & P) Guide	145, 230
Law & Regulation http://www.dpa.ca.gov/statesys/dpa/olrules.htm	DPA Rule 599.674, 599.676
Memo of Understanding (MOU) http://www.dpa.ca.gov/collbarg/contract/bumenu.shtm	Check applicable MOU
Pay Scales http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtm	Section 14, and Alternate Range Section 11
Responsible Control Agency and Program	Department of Personnel Administration Department of Finance

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Pay Differential

Policy It is the policy of the DGS to comply with the applicable rules and regulations when applying a pay differential or when establishing or revising a pay differential.

Definition Pay differentials are qualifying pay criteria for special competencies or working conditions such as, but not limited to, the following:

- Recruitment and Retention
 - Professional or educational certification
 - Work location or shift assignment
 - Performance-based pay
 - Temporary responsibilities
 - Special license or skills or training
 - Incentive-based pay
 - Other special pay
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Authority Pay differentials are the responsibility of the Department of Personnel Administration (DPA). The format of the pay differentials include: the effective date; Collective Bargaining Unit Identifier and classes affected; applicable salary rate and conditions; and specific criteria for eligibility.

DPA Rules 599.674 and 599.676 are used to determine the rate of pay for an employee when promoted from a class with a pay differential. The pay differentials may also include specific conditions regarding salary when there is movement from one class to another. Some pay criteria specifically state that an employee's movement from one class will be calculated on the combined rate (base salary plus pay differential) for the purpose of determining salary movement.

See Section 14 of the Pay Scales for a listing of pay differentials. Also refer to Alternate Range Section 11 of the Pay Scales. This information can be obtained from DPA's webpage at http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtm.

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Pay Differential, Continued

Procedures See Classification and Pay Guide section 230 for complete procedures on the establishment or revision of pay differentials.

Responsibilities The following table depicts the individual and his/her responsibility in requesting a pay differential.

Individual	Responsibility
Personnel Liaison (PL)	<ul style="list-style-type: none">• Determine employee's bargaining unit and consult MOU• Locate the applicable pay differential to determine eligibility for the differential• Prepare a Request for Personnel Action (RPA) and submit to the Classification & Pay (C&P) Analyst
Classification and Pay (C&P) Analyst	<ul style="list-style-type: none">• Review the RPA package for completion and ensure that pay differential has been appropriately applied• Make sure to note pay differential information of the RPA that the employee is to receive pay differential and provide the pay differential number• Forward approved RPA to the Personnel Specialist (PS) in the Personnel Transactions Unit (PTU)
Personnel Specialist (PS)	<ul style="list-style-type: none">• Process the RPA and ensure the pay differential is applied• If questions, contact the C&P Analyst
